

NEW JERSEY OFFICE OF THE INSPECTOR GENERAL

Mary Jane Cooper, Inspector General

For Immediate Release:
October 20, 2005

For Further Information:
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IG Moves Forward on Executive Order No. 41

TRENTON – Inspector General Mary Jane Cooper yesterday requested preliminary information from nearly 50 independent authorities to begin the Office of the Inspector General's (OIG) review of internal financial controls and accounting procedures as directed through Executive Order No. 41.

“Once we have collected and reviewed these documents, the office will be meeting with each authority, commission, board or agency,” Inspector General Cooper said. “This exercise is the first step to understanding the existing financial controls in use at each entity.”

The preliminary information requested by the OIG, which is expected to be submitted within the next two weeks, includes:

- Organizational and financial policies and procedures;
- Financial reports and assessments of internal controls for the last five years;
- Reports of internal investigations and corrective action plans; and
- Document retention policies.

Issued on June 15, 2005, Executive Order No. 41 is part of Acting Governor Richard J. Codey's effort to strengthen the accountability of state government. The goal of this executive order, combined with the mission of the OIG, will assure taxpayers that the money spent to support these state entities is properly managed, recorded, and disbursed.

Following this review, the OIG will make recommendations for uniform practices and procedures to be established for all authorities in an effort to provide greater controls and accountability.

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October 19, 2005

VIA FACSIMILE and REGULAR MAIL

Addressee

Re: Executive Order #41 Review

Dear (*Executive Director*):

On June 15, 2005, Acting Governor Richard J. Codey signed Executive Order No. 41 extending and strengthening the requirements for ethics, financial controls, and accounting procedures to the State's authorities, agencies, boards, and commissions. Continuing to build on the ethics reforms put forth by Acting Governor Codey and his administration, it is the goal of Executive Order No. 41 and the mission of the Office of the Inspector General to assure the taxpayers that the money spent to support these state entities is properly managed, recorded, and disbursed and that the entities operate with appropriate standards and controls and independent Board oversight to assure accountability and efficiency in the expenditure of funds.

Executive Order No. 41 requires that the State Inspector General conduct a complete assessment of the internal and financial controls and accounting procedures currently in place at the entities within the Executive Order's jurisdiction. Following this review, this office will recommend uniform practices and procedures to be established for all of the authorities.

The (*Name of Entity*) is within the jurisdiction of this Executive Order. We are therefore writing to request that you provide the following documents to this office so that we may begin our review of the controls and procedures in place at your organization:

- Enabling legislation or governing statute and related regulations as well as any mission statement and/or charter
- Bylaws
- Plan or program for compliance with government requirements
- Organizational policies and procedures
- Descriptions of structure and organization of the entity, including organization charts, position titles, job descriptions, names of staff and their positions, dates of service, and compensation (including salaries, bonuses, benefits, and perquisites)
- Location of all physical sites under control of the entity or where any entity operation or business is conducted
- List of State or entity vehicles, to whom assigned, and usage and associated cost records
- Copies of facilities and equipment leases
- List of payments to vendors for last five years
- Contracts with external auditors and external audit reports for the last five years
- Financial reports and assessments of internal controls of the entity for the last five years
- Management letters in reply to Comments and Recommendations and corrective action plans
- Policies, procedures, and documented internal controls, including all accounting manuals and guidelines
- Reports of all internal investigations
- Names of Board¹ members and roster of members of each Board committee, including dates of service and direct, indirect, or related compensation
- Description of responsibilities of Board members, including employment of entity staff, oversight of procurement and fiscal operations and approval of contracts, and acceptance of multi-year strategic planning for the entity
- Minutes from all Board meetings and all resolutions for the last five years
- Résumés of audit committee members
- Audit committee charter
- Minutes and resolutions from all audit committee meetings for the last five years
- Identification and description of all information systems used in the conduct of entity business or operations in the last five years
- Document retention policies.

¹ References to the Board should be read to mean the entity governing body.

We request that these responsive documents be provided by November 2, 2005 and when possible, that the documents be provided in both hard copy and electronic format. When responding, please note the specific category of this request to which each document corresponds.

In order to understand the current status of each entity, our request is for documents that pre-date this letter. Therefore, please specifically state where the (*Name of Entity*) does not have documents that correspond to any of our particular requests, making clear that an omission was not inadvertent.

Once we are in receipt of your response, we will contact you to schedule meetings and interviews with appropriate staff and request any further documents necessary to complete our review.

If you have any questions, please contact our office at 609-292-8183. Thank you for your cooperation and attention to this request.

Very truly yours,

Mary Jane Cooper
Inspector General

cc: Verice Mason, Governor's Authorities Unit